

NOTE 1 TO § 538.535: See § 538.418 for additional restrictions on financial transactions involving Sudan, including the Specified Areas of Sudan.

[76 FR 63198, Oct. 12, 2011]

§ 538.536 Activities relating to the petroleum and petrochemical industries in the Republic of South Sudan.

(a) To the extent they are not exempt from the prohibitions of this part, all activities and transactions relating to the petroleum and petrochemical industries in the Republic of South Sudan are authorized, including but not limited to the transshipment of goods, technology, and services to or from the Republic of South Sudan through Sudan; exploration; development; production; field auditing services; oilfield services; activities related to oil and gas pipelines; investment; payment to the Government of Sudan or to entities owned or controlled by the Government of Sudan of pipeline, port, and other fees; and downstream activities such as refining, sale, and transport of petroleum from the Republic of South Sudan, except for the refining in Sudan of petroleum from the Republic of South Sudan.

(b) All financial transactions ordinarily incident to the activities authorized by paragraph (a) of this section also are authorized, including but not limited to financial transactions with a depository institution owned or controlled by the Government of Sudan or located in Sudan, provided that any transaction between a U.S. depository institution and a depository institution owned or controlled by the Government of Sudan must first transit through a depository institution not owned or controlled by the Government of Sudan.

(c) This section does not authorize exports of goods, services, or technology that are not used in connection with the Republic of South Sudan's petroleum or petrochemical industries.

[76 FR 76619, Dec. 8, 2011]

§ 538.537 Transshipment of goods, technology, and services to or from the Republic of South Sudan.

(a) To the extent they are not exempt from the prohibitions of this part, the

transit or transshipment of goods, technology, and services through Sudan to or from the Republic of South Sudan are authorized.

(b) All financial transactions ordinarily incident to the activities authorized by paragraph (a) of this section also are authorized, including but not limited to financial transactions with a depository institution owned or controlled by the Government of Sudan or located in Sudan, provided that any transaction between a U.S. depository institution and a depository institution owned or controlled by the Government of Sudan must first transit through a depository institution not owned or controlled by the Government of Sudan.

[76 FR 76619, Dec. 8, 2011]

Subpart F—Reports

§ 538.601 Records and reports.

For additional provisions relating to records and reports, see subpart C of part 501 of this chapter.

Subpart G—Penalties

§ 538.701 Penalties.

(a) Attention is directed to section 206 of the International Emergency Economic Powers Act (the “Act”)(50 U.S.C. 1705), which is applicable to violations of the provisions of any license, ruling, regulation, order, direction or instruction issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this part or otherwise under the Act.

(1) A civil penalty not to exceed the amount set forth in Section 206 of the Act may be imposed on any person who violates, attempts to violate, conspires to violate, or causes a violation of any license, order, regulation, or prohibition issued under the Act.

NOTE TO PARAGRAPH (a)(1) OF § 538.701: As of June 10, 2008, the Act provides for a maximum civil penalty not to exceed the greater of \$250,000 or an amount that is twice the amount of the transaction that is the basis of the violation with respect to which the penalty is imposed.

(2) A person who willfully commits, willfully attempts to commit, or willfully conspires to commit, or aids or